

Engendering Macro-Economic Policy Reforms in a Era of Economic Crisis

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I. Introduction

Over the last two decades, while some aspects of human lives have been improved to a great extent (e.g., life expectancy and literacy), the absolute number of people living below the poverty line has increased by some 20 percent. Poverty was previously understood to be rooted in low productivity agriculture sector and its eradication to be achieved by rapid industrial growth. However, by the end of the 1970s poverty became even the problem among the urban populations, and became to have "women's face ;" i.e., global feminization of poverty. Poverty is gender-related phenomenon reflecting inequal relations between men and women. UPDP reports that 70 percent of the world poor are women and girls (UPDP 1996).

To achieve gender-responsive human development is now a goal of the international community, particularly a goal of economic as well as social development. At the time of the Fourth Women's World Conference at Beijing in 1995, the following twelve areas were identified as of women's prioritied concern : women and poverty, education &

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training of women, women & health, violence against women, women and armed conflict, women and the economy, women in power & decision-making, institutional mechanisms for the advancement of women, human rights of women, women & the media, women & the environment, and girl-child. Thus, gender equality is the very basic integral part of economically as well as socially sustainable human development.

The main theme of this paper is to introduce gender analysis into macro-economics and macro-economic policy reforms, in particular macro-economic policy reforms related to the Structural Adjustment Policies (SAP's). The current world-wide economic restructuring and SAP's have had profound effects on social, economic and political life of men and women both in the North and the South. There is enough historical evidence to suggest the very nature of gender asymmetrical effects of economic structural changes. Yet often the dominant discourse around policy reform remains cast in largely gender-neutral and aggregate terms, such as aggregate demand and supply, government expenditure and tax revenue, saving and investment, balance of payments (exports and imports), interest rate, foreign exchange rate, and productivity and efficiency. These terms may appear to be gender-neutral, however, they are not, and they are rather male-biased terms. What are the policy implications of male-biases in macro-economic analysis? What are necessary policy interventions to achieve gender-responsive macro-policy reforms? These questions will be discussed below. Here the term "bias" is used in the same manner as "development strategy often has a urban bias," following D. Elson's usage of the term.⁽¹⁾

II. Relevance of gender relations to social and economic analysis

In 1970 a few years prior to the UN Women's Year scheduled at 1975, the small group of American women professionals active in the

field of international development "discovered" the Boserup's path-breaking book, *Women's Role in Economic Development* (Boserup 1970). She surveyed the existing research results and official statistics worldwide identifying women's role in economic development. She focused on women, technology, population, and agricultural change, and concluded that in the process of economic development and modernization with developed countries' technologies and social norms on the gender division of labor, women are likely to be excluded from development process as productive economic agents, and to lose traditional productive role, thus to be adversely affected, in particular in terms of gains from the development process. Women (later gender) had not yet been regarded as a variable relevant for promoting economic or human development. The "discovery" of Boserup's work made an "integrating women into the development process" as the slogan of the international community both at the governmental (national, regional and international) and non-governmental levels.

During the 1980s in the process of implementation of the stabilization and structural adjustment policies (SAP's) to overcome the devastated effects of macro-economic problems, many developing countries in the world, in particular, African, Latin American and the Caribbean countries went through restructuring of nation-based macro-economic policies, community resources, and intrahousehold divisions of labor. The reallocation of national resources in concert with the policies of liberalizing the economy, for example, have resulted in an increase in the unemployed, the poor, and the malnourished. The policies intending to improve in economic "efficiency" and regain higher growth momentum obviously could not be consistent with those of enhancing social development of these developing countries. Women, in particular, have been affected more severely than men constituting the majority of the world poor, and forced to balance wage work with subsistence and domestic production in meeting household needs. Heavier burden of economic crises and persistent poverty exacerbated by the SAP's was

shouldered by women (e.g., Dwyer and Bruce 1988, and Beneria & Feldman 1991).

The term SAP's in this paper refers to programs of short-run economic stabilization associated with the IMF as well as those of longer-run structural adjustment associated with the World Bank. Since both agencies' programs have three common elements, and in most of the cases a Fund package become a necessary prerequisite for WB structural adjustment loans, now the term is used as defined above. These three elements are ; demand restraint with emphasis on public expenditure reductions, credit control and real wage restraint ; switching policies (correction of "distorted prices"), especially emphasising exchange rate reform and devaluation ; and long-term supply policies including financial reform and trade liberalization. There was no question about a necessity for many developing countries to introduce policy changes to cope with both internal and external imbalances. However, there was and is considerable devate about the validity of the IMF and WB diagnoses and policy prescriptions.

The introduction of SAP's was the time when women (the poor women at the grassroots in developing countries, NGO workers, women's movement advocates as well as development specialists) undersood clearly that small gains the poor women at the grassroots achieved through slow but steady effort of many years to improve their own and families' well-being, no matter how small they might have been, can be wiped out over-night. Thus gender impact of SAP's became one of the hottest issues taken up at the Third World Conference on Women in Nairobi in 1985. Economists concernd with gender issues in development began focusing on macro-economics and macro-policy changes theretofore they failed to appreciate the relevance. ⁽²⁾

Since the early 1990s economists began their inquiry into the

asymmetrical gender impact of economic process to examine the causes of observable inequality in the intrahousehold (at the micro level) distribution of resources (e.g., Folbre 1986, and Sen 1990). Not only why boys get bigger share in food distribution and more chances to be sent to school than girls in a household but the relevance of the choice-theoretic framework of new household economics are analyzed. However, women's realities in the 1980s made it necessary to go beyond the micro-household level of analysis to macro-analysis, and more recently to meso-analysis. That was because the seeming neutrality of such macro-variables as GDP, tradables and non-tradables, imports and exports, the balance of payments, saving and consumption, and investment, public expenditure and the budgetary deficit, and productivity and efficiency.

One of the reasons why most of the mainstream (Neo-classical) economists do not recognize the asymmetrical gender impact of economic process is their failure "to appreciate the actual context to which they apply those tools the standard economics" provides (Palmer 1994 : 67). If the core of the problem of gender-blindness is a matter of failure of appreciating the actual context or not is itself debatable. It is, however, interesting to learn that the Neo-classical economist herself identifies the problem as it is. The explicit or implicit assumptions of macro-economic analytic framework may only coincide with the reality of the market or of individual choices. It is important to improve the grounding of macro-economic policies. As Palmer points out, this corresponds to what Robert Solow, for example, says about the importance of social institutions, and its integration into economics (Swedberg 1990 : 275).⁽³⁾ Thus, not only so-called feminist economists but also some of the mainstream economists recognize the importance of incorporation of gender into the analytical structure of economics.

Recent macro-policy reforms formulated to restore the Asian

external as well as internal balances so far did not seem to favor women. The policy measures are those of the typical SAP's and include cutbacks in aggregate public expenditure and tight monetary policy to reduce excess demand and induce a whole series of changes at the meso-level to remove so-called 'distortions' in the economic signals transmitted to individuals. Devaluation, trade liberalization and withdrawal of subsidies are the measures to induce price changes, and changes in social infrastructural services are also included (transport, training, education and health services). Asian women's experiences are no brighter than those of their African and Latin American counterparts of the 1980s (ILO 1998b). Why are women likely to be affected adversely in the process of economic transformation either in the form of modernization or structural adjustment and transition from a planned to market economy? Or do deregulated market economic activities and liberalization of economic activities and trade themselves work against women? (e.g., Bakker 1994, Haxton and Olsson 1999) How gender-asymmetrical (biased) outcomes of social and economic development are resulted? This paper is an attempt to find an answer to these questions by examining "male-bias" in economic analysis at the micro, meso and macro levels.

III. Women's realities

On 15 April 1998 ILO Regional Office for Asia and the Pacific released the following statement :

Because of their unequal position in the labor market and their concentration in the most precarious forms of wage employment, women have proved especially vulnerable to the crisis throughout the region. Though reliable data is unavailable, the evidence at hand suggests that gender-biased dismissals are common practice. The inferior employment status of women

often means that they are less likely to be entitled to unemployment benefits where these exist and to severance pay. Women also find themselves at a serious disadvantage in gaining access to credit and other employment promotion programmes. (ILO, 1998a).

In developing countries the women working in the formal sector are the minority. The majority work in the informal sector where meaningful safety net is simply unavailable. The pain inflicted Asian societies has increasingly been felt by those who are employed in the informal sector and are responsive to meet the household basic needs (the majority of this group of people are women). Ample evidence has been documented and provided a ground on which the above mentioned Beijing Plan of Action was formulated.

It is still too early to have well-analyzed gender impact of recent Asian economic crisis on social and economic development. However, the AIT/ILO Research Project on the Gender Impact of the Economic Crisis in East and South-East Asia is one of attempts to focus on this gender aspect of the crisis. There held the final discussion session of this project in Bangkok on 27 November 1998, in which the author of this paper participated. There are also a few studies available to assess shorter-run or more immediate rather than longer-run impact. By mainly relying on these ILO project data, in the next section of this paper some of the Asian women's recent experience will be described briefly. The countries included in this paper are Indonesia, Korea, Malaysia, the Philippines and Thailand.

One researcher (or a research team) from each of these five countries was invited to present research result at the Bangkok meeting. The research frame was set to focus on the gender dimension of such issues as unemployment and retrenchment (per sector and skill level), shifts in types of employment (e.g., casual, contract, temporary, part-time and

informal), access to social safety nets, migration and child labor, family responsibilities, the industrial relations including bargaining power of trade union, and participation of women in decision-making processes. Further broader social concerns are also addressed, such as the impact of the crisis on availability of and access to health care and education, the household/family and women's well-being (e.g., domestic violence), and social infrastructure in general.

Due to time and budgetary constraints and the difference in the researchers' main interest in the theme as well as the difference in the extent of the severeness of the individual country Crisis, countries data are neither comparable nor compatible. Yet as following research results indicate, recent Asian women's experience shares much common elements with those of their African and Latin American counterparts of the 1980s. The followings are the major findings from the project (ILO 1998 : 7-11) :

1. Proportionally more women than men are hit by the crisis
2. Seriously affected sectors include construction, manufacturing (textiles and garments, electronics, and machinery), real estate, retail and wholesale trade, and financial services and insurance
3. Falling real wages and deepening poverty
4. Increase in child labor and teenage girls sex workers
5. Jobless migrant workers returning home and loss of their remittances
6. Business environment of the informal sector became more complex with keener competition and more open space for survival,
7. Cutback in social services and increases in women's responsibilities to meet the ends with unpaid labor
8. Strengthening of cultural and ideological norm/definition of women

Let us hear some of women's voices from Asia.

Indonesia

"Rising open unemployment and underemployment, combined with rapidly rising prices, has created the double burden of reduced incomes and declining purchasing power for the masses. These conditions are contributing to a rising incidence of poverty, the greater burden of which is borne by women—household consumption decisions, among the poor, being the domain and responsibility of women—as households try to make ends meet. With both domestic and overseas jobs growing scarce, Indonesian overseas women workers become the backbone of their families" (Oey-Gardiner 1998 : 2).

"Government programmes should be monitored, ensuring that women are given a fair share of public assistance, be it in the form of employment opportunities through labour-intensive schemes or in agriculture (including forestry and fishery), or through other activities. Women's access to credit schemes also needs monitoring. Indicators need to be developed, as women are most likely to have access to minute credit schemes only. This suggests that mere beneficiary numbers are not a sufficient indicator of women's access to such public schemes. Assistance should be provided for further development and empowerment of NGOs in their monitoring capacity" (*ibid* : 24).

"Women-focused NGOs need further empowerment. Since the crisis-driven crash programmes may well be gender biased, in design as well as in implementation, the Government's agreement to allocate a fair share of the benefits to women requires monitoring. Assistance is needed for monitoring public sector programmes to ensure that women have access to their rightful share" (*ibid*).

Korea

“Among the criteria for deciding who are first to be dismissed, the presence of other earning members in the family seems to be the usual and this is put forth as a persuasive argument. In itself, this sounds rational and yet notions about the gender division of labour do enter. Thereby, both unmarried and married women become targets, thanks to these stereotypical notions, which, in fact, are more myth than fact. Even official statistics reveal that of all households, women head 16.8 per cent. If we take this figure to be a conservative estimate and, in reality more women are the primary earners for their families, women in this category lose out because of this belief. Being a married does not necessarily mean that a woman has an employed husband, and gender distinctions operate as means of cutting women out of employment more easily. In contrast, when men are targeted for dismissal, having a working wife is seen as ‘disastrous’ from the viewpoint of male workers. This, however, does not hold in the case of women whose husbands may be unemployed,” (Chang, 1998 : 12).

“(above) is a story about an unemployed man, one among over five thousand others who have become homeless. The media attention is focused on these men who live on charity, provided by well meaning neighbors. The dominant discourse of the economic crisis has been geared to ‘give support to discouraged fathers and husbands’, or sustaining the ‘warm all-embracing family’ in overcoming the crisis, with hardly any conception of the need to restructure a rigid gender discrimination or gender division of labour. The family is left to women to maintain and uphold.” (*ibid* : 15).

“That women carry the bottom line in the responsibility of earning a living for the family has become most apparent in the recent months in the trend of men leaving home when they become jobless. Even

when men retain their jobs and remains at home, economic instability looms large, because of the prospects of restructuring and a decrease in real income. In this situation, the necessity for women to take on a bigger share in making ends meet increases, as also their demand for the right to work. However, there is deep-rooted belief in the gender division of labour, whereby men are deemed breadwinners and women dependents. Unless this belief is tackled head on, women's right to work will remain undermined. The economic crises, however, tend to strengthen patriarchal conservatism which supports men's prior claim to employment opportunities. This conflict, between the necessity for women to work, and the conservatism, due which they are pushed out of the labour market, might open up new possibilities for deconstructing the ideologies about women being dependent on so-called breadwinner men" (*ibid* : 18)

Malaysia

"..... There were no reports of retrenchment among the Malay and Chinese villages studied, but 12 out of 15 Aboriginal single women had been retrenched without any benefits. They were asked to leave for minor offenses, and thus the employers did not give them compensation. According to an authoritative source, the women workers have been exploited because they do not know their rights; furthermore, they are only casual workers, so they are easily terminated without due compensation" (Talib 1998 : 25).

"....., there is a clear move by some of the retrenched workers to the informal sector. (however), it appears that women, even with the recent flood of new entrants, are maintaining their 30 per cent share of the informal sector. Those women already established in the sector seem to be resilient enough to survive despite the decline in business turnover and reduced profit margins. (T)hey are helped

by urban dwellers who are increasingly turning to this sector to reduce living costs" (*ibid* : 31).

"Malaysian women should have learned from the recessions of the '70s and '80s, when thousands of factory workers, mostly women, were retrenched. Yet almost 20 years later, women still work at the same level in the factories. Until women break away from these traditional constraints, women will suffer every time the economy dips. For ununionized workers, the problems are compounded. And women should adopt active union roles, rather than serve merely as members" (*ibid* : 35).

The Philippines

"The female unemployment rate (15.2 per cent), the highest in the past three years, continued to exceed the male rate by three percentage points. The gender gap held in rural areas, where 9.6 per cent of male workers were unemployed versus 14.9 per cent of female workers. The gap was widest among rural workers 15 to 19 years of age. In urban areas, female and male unemployment rates both stood at 15.4 per cent, and fewer women than men, regardless of age group, were out of work" (Illo 1998 : 12).

"... despite ... official measures, gender biases exist in the hiring of workers, child labour continues almost unchecked, and various labour standards are routinely violated. The most common violations pertained to underpayment of the minimum wage, non-payment of the 13th month pay, non-integration of the emergency or cost of living allowance ..., non-payment of the regular holiday pay, non-payment of the service incentive leave, and labour-only contracting" (*ibid* : 18).

"Should the austerity programme extend to the social sectors, as it

did in the past, health would likely be adversely affected, especially in poor areas with less sanitation where reported cases of malaria have risen. Reduced budgets in health programmes for children will render many children vulnerable to diseases. Deteriorating health among children and other family members will saddle women with their care, adding to their already long day. Moreover, the task of providing for a family in the face of drought (in rural areas) and growing joblessness (in urban areas) has fallen on women, who are primarily responsible for putting food on the table. Paring the budget for social welfare services (such as food relief and disaster and similar loans) takes away from many women a safety net, inadequate though the services have been even without the budget cuts" (*ibid* : 20).

Thailand

"..... it would be wrong to count earnings of women by the daily wage rate. The work place is also a market where several products, snacks and ready-made food can be sold. Many women workers do some other work during their free time, have more than one job or do overtime work to gain more money for their families. Losing a job means losing meals for several months, fewer opportunities for many children to continue their study and many elderly to receive proper care and treatment. There has been evidence that women who have lost their jobs are more active than men in looking for new jobs and start working again, as an owner of rooms for rent ..." (Karnjanauksorn and Charoenloet 1998 : 16)

"..... Industrialisation in Thailand has not led to the creation of massive wage labour in the classical sense, but rather to the proliferation of home-based workers and piece-rate workers, the majority are women. At present, labour laws and the social security system protect about 13 per cent of the labour force in the manufacturing sector. A large portion

of women workers in the small or unregistered economy have been deprived of these benefits but are contributing to GDP growth" (*ibid* : 23).

"... A woman worker who went home after the retrenchment told us : When the boom turn(s) into bust their (the powerless women, workers and farmers') contribution has gone in vein and the government is asking them for more. They are told to help themselves, be patient, go back to the countryside and rely on self-subsistence farming. Had the situation be different earlier this might have worked out but it is now too late for many workers to go back. For many, because they have lost or sold all the land, but for some others the story is different ; 'I can't go back and live with them because I have left for so long that no one thought I will ever go back to live there again. My sisters and brothers have divided the land among themselves, so every one is afraid I will want to take away some part of theirs'" (*ibid* : 21).

IV. Male bias in the development/adjustment process

From WID to GAD

The point of departure of the GAD (Gender and Development) approach from the earlier WID (Women in Development) approach was to question then the prevailing understanding of the cause of women's disadvantaged position in development. WID approach maintained that women were disadvantaged because they were excluded from the development process, and their social, political and economic slogan of the improvement in women's role in development was "integrating women into development process." As Elson and Pearson point out, "(w)e do not accept that the problem is one of women being left out of the development process. Rather, it is precisely the relations through

which women are 'integrated' into the development process, which need to be problematised and investigated. For such relations may well be part of the problem, rather than part of the solution" (Elson and Pearson 1981 : 145).

This relation is socially and culturally constructed gender relations. National development strategies are generally not deliberately designed to be biased in favor of men, but the absence of explicit recognition of gender relations means that in practice this male-biased policies function against women. The lack of gender consideration is not exclusive characteristics of national development policies. It is a reflection of male-bias in economic theories. Absence of gender relations in the conceptualization of development strategies is important for women, because "overall national development strategy is likely to have much wider implications, for social, economic and political position of women relative to men.... It is also important for men, because neglect of gender inequality is likely to limit the effectiveness of national development strategies in achieving goals" of national development (Elson 1995b : 253).

Gender-biased impact of SAP's

Before we turn to the analysis of male-biases in economic analysis, as an entry point to gender analysis of adjustment, let us identify the way in which the process of SAP's affects household and the well-being of the households members. We can identified three fields of gender-biases in macro-economics, and SAP's in particular, which stem from failure to recognize the implications of :

- the gender division of labor
- the unpaid domestic work which produces and maintains human resources

-the internal differentiation and inequalities within households

Macro-economic variables are usually presented as monetary aggregates which appear to be neutral. However, this apparent gender neutrality "masks a deeper gender bias" (Elson 1995a : 166). This hidden set of assumptions concerns human resources, their allocation to production, and their own reproduction and maintenance (will be discussed later).

Usually adjustment process affects household in the following four ways ;

- 1) changes in incomes due to changes in wages and level of employment and changes in product prices and product demand for self-employed,
- 2) changes in prices of important consumption goods, e.g., food,
- 3) changes in levels and composition of public expenditure, particularly those in the social sector including possible introduction or increase of user charges for services, and
- 4) changes in working conditions due to changes in hours of work, intensity of work, job security, fringe benefits, and legal status (this is applicable both to unpaid and paid work).

It is true that not all households will be affected in the same way. There will be gainers and losers. Total outcomes of adjustment process is a result of interplay among gender, class, ethnicity, and even age along with other factors including effect of El Nino in the case of recent Asian Economic Crisis. However, the important issue here is that within all differently affected groups, there is a strong likelihood of a gender-differentiated impact, about which already many authors present empirical evidence (e.g., Dwyer and Bruce 1988, Beneria & Feldman 1991, and Bakker 1994). When households need to cut expenses for food, health service and education, it is very likely that women's and girls' consumption of and access to the respective goods and services will be

reduced much more than those of men's and boys'. When users charges are introduced and/or increased, access to health services and education of women and girls will be more restricted. To compensate for reduced purchased resources, women often increase working hours for unpaid labor. Further they are likely to engage in barter and petty trade. Heavier burden will be borne by women and they must cope and devise survival strategies when household incomes fall and prices rise. Here is a male bias in the impact of SAP's at a household level (at micro-level). Below we shall examine male-biases in economic analysis at the micro-, meso- and macro-levels.

Male-bias at the micro-level

In a way the mainstream micro-economic analysis accomodates gender differece and even some degree of gender inequality. As typically being treated in the new family economics, gender division of labor within a household (huband being a breadwinner, while wife being a homemaker) is explained by differences in the preferences and resource endowments (including skills) of individuals in terms of respective comparative advantages. If there is any discrimination against women, that needs to be corrected since it is "irrational" and leads to "lower monetary rewards." From this perspective, economic policy reforms which strengthen commercialization and the profit motive are seen as likely to work to women's advantage.

However, "difference" is often actually disguised form of discrimination and a reflection of male-bias in conceptualization, even it appears to be gender-neutral. "The male-bias arises because theory fails to take adequate account of the inequality between women as a gender and men as a gender" (Elson 1995c : 99). As mentioned earlier, economists began their inequiry into the gender-biased impact of economic process with the intrahousehold distribution of resources,

utilizing a bargaining-based critical theory of family and argue that the burdens on poor women are incommensurate with any benefits they may possibly obtain. Family is not an institution without conflicts.

Rather, household members face "cooperative-conflicts" (e.g., Dwyer and Bruce 1988, Sen 1990, and Beneria & Feldman 1991).

Male-bias at meso-analysis

In order to analyze asymmetrical gender impact of SAP's, we have to go beyond the micro-level analysis. The question is now is to ask why and how seemingly neutral macro-economic policy changes affect men and women differently. Recently some economists began to add another level of analysis to the micro and macro, namely the meso-level of analysis. The macro-level of economic analysis focuses on aggregate supply and demand, while the micro looks at the functioning of economies at the micro-level of supply and demand interactions between individual economic agents. For our purpose of scrutinize the operation of market it is important to distinguish the meso-level.

"Meso analysis concerns itself with the structures that mediate between individuals and the economy considered as a whole by providing economic signals, costs and benefits, and typically focuses on markets, private-sector firms and public-sector services" (Elson 1995c : 93). According to the above definition, households consisting of more than two persons should be categorized as a meso-institution. However, they are still considered to be a subject of the micro-analysis. Heretofore most of the current meso-level policy discourse is centered around markets (both factor markets of labor, land and capital/financial, and products) and public sector services.

In the Neo-classical paradigm, micro-, meso-, macro-levels are fully integrated, and simply represented pictures of the economy at varying

levels of detail. The macro-level looks at the economy in terms of total marketed output and total expenditure. These aggregates are understood as a coherent result of the activities of millions of individuals (micro-level) integrated by the institutions of the meso-level. What is economically rational at the individual level also appears to be economically rational at the macro-level. If things are not working right (budgetary deficits, balance-of-payment deficits, inflation, unemployment and so forth), the policy recommendation should be to "stop governmental incorrect interventions.

The wrong sort of public intervention (e.g., monetary policy and/or fiscal policy) causes imbalances at the macro-level, sending the wrong sort of signals at the meso-level, which leads to imbalances at the micro-level. Therefore changes in government policy need to be made at the macro- and meso-levels. In reality, however, macro-level activities are not necessarily mediated at meso-level through price mechanism. As is widely recognized, this is not just criticism from the feminists, there are many perspectives critical to the Neo-classical (e.g., Keynesian, Kaleckian, structuralist and Marxist perspectives).

This is not an appropriate place to discuss the details of the Neo-Classical paradigm. However, it is relevant to show how male-biases work both at the meso- and macro-levels and prevent gender-responsive and socially efficient resource allocation. Its implication is that macro-economic strategies and policies will be more effective if they are grounded in the correct identification of the circumstances and motivations of economic agents (both women and men). What is meant by "gender-responsive and socially efficient" resource allocation will briefly be discussed below.

At the meso-level, the operation of markets (both price formations and the organization of production) rely on the operation of social and

institutional norms that reflect the incompleteness of contracts. "The non-market relations which surround and structure all markets become important in considering the terms on which people come to the market (Mackintosh 1990). At the meso-level of the operation of markets, firms and public-sector agencies, relationships are gendered via the social norms and networks which are functional to their operation. Higher transaction costs for women in general, arise because of lack of education, training, the notion that "business is man's domain and women are not a primary breadwinner, and the fixed gender division of work based on a hierarchical relations between men and women. Women's higher transaction cost is either because of male-biased market or absent of markets (e.g., reproduction and human resource production). This is one form of "market failure". These are examples of women's unequal access to and participation in markets. "There may even be severe social obstacles or outright prohibition of market entry facing categories of individuals. Privilege and power can effect degrees of exclusiveness" (Palmer 1994 : 71).⁽⁴⁾

To respond promptly and rationally to a new economic situation an economic agent needs to have information and mobility. However, among many others, as we have discussed, existing social norms and networks limit women's ability to exploit economic opportunities as much as men. Women's participation in market can not be explained by Neo-classical 'choice-theoretic' framework of analysis. Further, the mass unemployment created along with the liberalization and globalization of economic activities became the issue of this decade and to come. Under these circumstances the new competitive efficiency was returning costly externalities in the form of worsening unemployment and poverty. Efficiency gains were accruing to some private individuals whereas losses were accruing to society.

Macro-policy reform of reduction in public expenditure on

construction from housing to dams, roads and power stations, personal services, public services like health and education and police is carried out not only to decrease aggregate demand but also to correct "distorted prices." Women are likely to be affected more from this changing relative prices. These changes as a result also give greater pressure on women's unpaid reproduction, and maintenance of human resources without receiving any pecuniary compensating for this work. Human resources is treated as free public goods. Then, this leads to great misallocation of scarce resources. How to price it and who should pay it are subjects of debate, however.

Male-bias at the macro-level

In the similar way as the meso-level analysis, the basic conceptualization of macro-economics is not linked to engendered frame of analysis. Macro-economics is preoccupied by such aggregate economic variables as GDP, its growth rates, unemployment and inflation, the budget surplus/deficit, balance of payments, interest rates, foreign exchange and the like. Not only women but also men do not appear. However, people need to reproduce themselves and their next generation, which is not linked in any way to the monetary aggregate. At the macro-level, the incompleteness of money's mobilizing power must be taken into account. Elson notes that money mobilizes human effort via prices and wages yet it is not able directly to mobilize all the resources for the reproduction and maintenance of human labor power. This view ignores the human aggregates of the reproductive economy (such as population, health and education. Elson 1995c : 100-101).

Male-bias in gender relations implies that the burdens of reproductive work fall mainly on women, in particular on women's unpaid labor. there is interdependence between the monetized economy and non-monetized economy with unpaid labor : Women's access to

money is structured by gender relations, and then access tends to disrupt non-monetized gender relations, resulting in new forms of gender relations, in which male bias is expressed in monetary forms. The nature of this interdependence is altered by the balance between making profit and meeting needs, between covering costs and sustaining human beings. The interdependence in market economies cannot be successfully regulated by individual contract and monetary relations. It has been required the mediation of the organization of the state and the community. The state and community interventions are necessary to avoid destitution and social breakdown and to enhance human development in ways that promote increases in productivity in the monetized economy.

Macro-policy generally takes for granted the reproductive economy and women's unpaid labor for the reproductive economy is infinitely elastic. This is one of the reasons why SAP's function against women's advantage. SAP's which emphasize rolling back the state and liberating market forces gives scant consideration to how this will impact on the reproductive economy. With this respect the restructuring of state-provided services as a means of curtailing public expenditure means to shift public burden to women's shoulder. A gender-responsive alternative to the public sector restructuring is to take the service users' view point to facilitate human development.

Palmer has developed the notion of a 'reproduction labor tax,' overhead which women must pay before they can engage in income-generating or expenditure-displacing activities. She argues that "Like all taxes it influences the allocation of resources, in this case in the form of penalising women's labor time in other activities which are both remunerative and more open to productive increases" (Palmer 1994 : 79). Restructuring and adjustment policies can be directly linked to this labor tax on women since cuts in public social expenditure increase it and lead

to a further distortion of resource allocation. We need to reconsider concepts of efficiency, namely a shift from the concept of private efficiency to that of social efficiency. This concept of social efficiency, however, should be broader than that already recongnized by mainstream economics. "Enhancing women's participation in economic development" from the World Bank (1994), for example, does not go this far in the sense that it does not question the gender-neutrality of liberalized market. They leave their economic framework uncahnge and just "add women and stir" (WID approach). The core of the issue is to acheive a fully "inclusive" society in which all kinds of work of "paid" or "unpaid" are equally valued.

"Integraing women into the market economy and strengthening their competitiveness with men, can be regarded as a necessary condition for improvinge women's economic position, but such policies do not constitute a sufficient condition. Because gender-biases in the economy are not only related to processes of discrimination against women, they are also related to ways in which markets are inadequate for coordinating the ways in which getting a living can be combined with caring for people, raising children and looking after the old and sick" (Staveren 1995 : 9). The poor including women, minority, aged and handicaped, all have to be able to participate in economic activity as fair as possible and reap their gains from participation. Then, not only economic systems and institutions but also political and social institutions must maintain transparency and democratic principles. Under a new system, the state, corporate sector, civil society (NGOs) and induviduals must find a optimum form of cooperation to maximize human well-being.

Notes

(1) Elson writes. "By *male* bias I mean a bias that operates in favour of men as a gender, and against women as a gender, not that all men are biased against women. Some men have contributed substantially to the diagnosis and understanding of male bias and have campaigned to overcome it. Some women show little understanding of the operation of male bias and do much to perpetuate it. To emphasise this point, in what follows I shall draw on the work of a male economist, A.K.Sen, who has provided some useful conceptual tools for the elucidation of male bias. What is bias? It is asymmetry that is ill-founded or unjustified. There is no problem in demonstrating gender asymmetry in the outcomes of development processes, in the lived experience of women and men throughout the world; the arguments are about the extent to which symmetry is ill-founded and unjustified" (Elson 1995d : 3).

(2) In 1984 American women in the field of international development established Association for Women in Development as a triparty professional group (AWID). In the same year a small group of activists and researchers from Third World formed a group called DAWN (Development Alternative for Women in New Era) to seek alternative development which recognizes the women's crucial role in reproductive sphere and proposes development compatible with this reproductive role. See, (Sen and Grown 1987). Toward the end of the 1980s, some economists started to focus directly on the macro-economics and macro-economic policy issues and gender, in particular in relation to SAP's. One of the leaders in this field is Dian Elson of the UK. See, (Elson 1987). I. Parmer and G. Sen are also active participators in this new debate. While Parmer is more traditional economist in the sense that she claims that if all the deficiencies she discusses are taken care of, the traditional economics can do a lot more to lead to optimum allocation of resources and economic growth, while Sen is places more importance on reproduction and try to find more crucial and innovative roles for NGOs. See, (Palmer 1994).

(3) Solow once maintained that "I think that many economists would like to think that economics is a universal science, just like physics, and that all the sociological stuff is pointless. People maximizes this or that, and that is really all you need to know. That is why I disagree with the notion of economics

as physics. But what I personally have in mind is that I would like to do as rigorous theoretical and empirical economics as possible. I want to preserve the analytical structure of economics, and I would also like to improve it by including or somehow incorporating into it the understanding that the objectives of individual economic behavior are modified by social institutions." (Swedberg 1990 : 275) :

(4) Parmer explains slightly different standpoint from Elson's : She believes that the relevance of gender relations to economic analysis can be best explained through three subjects (Palmer 1994) :

- * biased and absent markets
- * identification of the primary unit of response
- * socio-cultural relations between men and women

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